By RALPH KOZLOW

Capital Expenditures by Majority-owned Foreign Affiliates of U.S. Companies, 1982 and 1983

MAJORITY-OWNED foreign affiliates of U.S. companies plan to increase capital expenditures less than one-half of a percent, to $46.6 billion, in 1983, following a planned 6-percent increase this year. In 1981, spending increased 3 percent (table 1 and chart 9).[1] In each of the 3 years 1981–83, spending in real terms would probably show a decline.

The slowdown in 1981–83 reflects generally sluggish business conditions abroad and high interest rates. Spending by manufacturing affiliates is expected to be depressed throughout the period. Spending by petroleum affiliates is expected to be weak except in 1982, when a strong increase is largely for development of alternative energy sources.

The slowdown follows record increases in 1979 and 1980, when affiliates in manufacturing significantly expanded capacity in response to strong demand abroad; affiliates manufacturing transportation equipment had particularly strong increases. In 1980, petroleum spending also increased strongly, largely as a result of intensified exploration for, and production of, petroleum following a near-doubling of crude oil prices in 1979 by members of the Organization of Petroleum Exporting Countries.

NOTE.—Patricia E. DiVenuti and Edward L. Simons assisted in preparing the estimates. Smith W. Allnutt III designed the computer programs for data retrieval and analysis.

In recent surveys, spending estimates have generally been revised down. The latest estimate for 1982, based on the BEA survey taken in June 1982, is much lower than the estimate made 6 months earlier, which indicated expenditures would increase 11 percent. Although estimates for every industry were revised down, most of the revision was in petroleum and in chemical manufacturing. For 1981, the latest estimate is also lower than the earlier one; most of the revision was in petroleum.

Manufacturing affiliates plan to increase spending 2 percent, to $19.5 billion, in 1983; no change in spending is planned this year. Affiliates in trade plan a 7-percent increase, to $4.5 billion, following a 2-percent decline. In contrast to these increases, petroleum affiliates plan a 3-percent decline, to $18.6 billion, following a 21-percent increase.

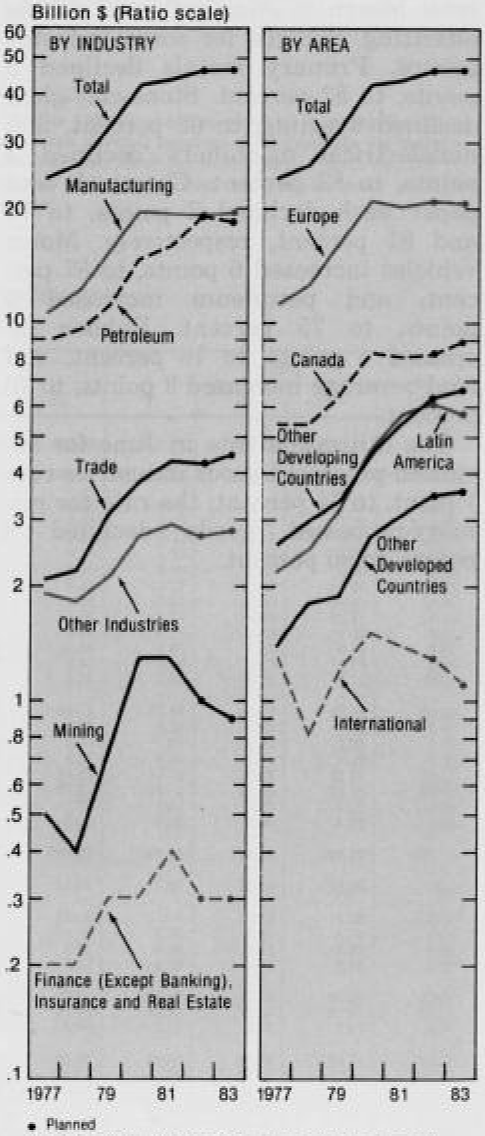
By area, affiliates in developed countries plan a 2-percent spending increase, to $33.1 billion, in 1983, following a 4-percent increase. In developing countries, a 1-percent decline, to $12.4 billion, is planned, following a 12-percent increase. Affiliates in "international"—those that have operations spanning more than one country and that are engaged in petroleum shipping, other water transportation, petroleum trading, or operating oil and gas drilling equipment that is moved from country to country during the year—plan a 16-percent decline, to $1.1 billion, compared with a 3-percent decline last year.

Petroleum

Petroleum affiliates plan to reduce spending 3 percent, to $18.6 billion, in 1983, following a planned 21-percent increase this year. This will be the

CHART 9

Capital Expenditures by Majority-Owned Foreign Affiliates of U.S. Companies



• Planned

NOTE.—Estimates are for nonbank foreign affiliates of nonbank U. S. parents.

U.S. Department of Commerce, Bureau of Economic Analysis 82-9-9

1. Capital expenditures estimates are for majority-owned nonbank foreign affiliates of nonbank U.S. parents. (An affiliate is majority owned when the combined ownership of all U.S. parents exceeds 50 percent.) Capital expenditures are expenditures that are made to acquire, add to, or improve property, plant, and equipment, and that are charged to capital accounts. They are on a gross basis; sales and other dispositions of fixed assets are not netted against them. Capital expenditures are reported to BEA in current dollars; they are not adjusted for price changes in host countries or for changes in the value of foreign currencies, because the data needed for these adjustments are unavailable.

first decline in petroleum expenditures since 1960. The decline reflects several factors, including weak worldwide industrial activity, continued energy conservation and substitution, and oil refining capacity in excess of projected needs. Also, some petroleum companies may be shifting some spending from abroad to the United States; the U.S. Government has sought to encourage domestic spending, partly by granting exploration and production rights in previously restricted territories and partly by decontrolling the domestic price of oil, in order to reduce U.S. dependence on foreign oil.

The strong spending increase this year largely reflects increased spending by petroleum affiliates to develop alternative energy sources. Increases in Colombia and Australia are largely for extracting coal; in Germany and the Netherlands, the increases are partly for constructing facilities that convert coal into coke.

Smaller spending increases, or shifts to spending declines, are expected in every geographic area in which there is sizable petroleum investment. In developed countries, affiliates plan to reduce spending 5 percent, to $11.2 billion, after a 20-percent increase in 1982 (tables 2-4). Canadian affiliates plan to lower spending slightly, after a 26-percent increase this year. The decline is largely attributable to an affiliate that, in mid-1982, indefinitely postponed participation in an oil sands project; partly offsetting are spending increases on several upstream and downstream projects by other affiliates.[2] Spending by Canadian affiliates in each of the years 1981-83 would have been higher if U.S. companies had not sold several large oil and gas properties in 1981.

2. Spending on another recently postponed oil sands project is not included in the data, because the company established to carry out the project is not majority owned by U.S. companies.

These sales were partly in response to anticipated and actual changes in Canadian energy policies. One objective of these policies is to increase Canadian participation in the petroleum industry. By providing preferential treatment of locally owned or controlled companies in, for example, the granting of exploration subsidies and production rights, these policies have tended to make petroleum properties in Canada more valuable to local than to U.S. (and other non-Canadian) investors.

In the North Sea area, British affiliates plan to reduce spending 13 percent, to $3.6 billion, after a 2-percent increase. This decline will be the largest since 1969. It partly reflects the response of oil companies to the smaller-than-expected reduction in the United Kingdom's taxes on North Sea operations. Norwegian affiliates plan a 17-percent increase, to $1.7 billion, after a 20-percent increase this year. Both increases are for continued

Table 1.—Capital Expenditures by Majority-Owned Foreign Affiliates of U.S. Companies, 1977-83

	Percent change from preceding year								Billions of dollars								
	Actual expenditures				Latest plans[1]		Earlier plans[2]		Actual expenditures					Latest plans[1]		Earlier plans[2]	
	1978	1979	1980	1981[1]	1982	1983	1981	1982	1977	1978	1979	1980	1981[1]	1982	1983	1981	1982
Total	9	25	30	3	6	(*)	7	11	24.1	26.1	32.6	42.4	43.7	46.4	46.6	46.5	50.7
By industry																	
Mining	−14	51	83	2	−26	−9	17	−24	.5	.4	.7	1.3	1.3	1.0	.9	1.5	1.1
Petroleum	7	16	34	7	21	−3	18	18	8.9	9.5	11.0	14.8	15.8	19.1	18.6	17.6	20.5
Manufacturing	14	29	27	−2	(*)	2	(*)	10	10.5	12.0	15.4	19.5	19.2	19.1	19.5	19.5	21.4
Food and kindred products	17	26	28	−7	7	1	−2	17	.8	.9	1.2	1.5	1.4	1.5	1.5	1.5	1.7
Chemicals and allied products	−5	33	14	(*)	9	8	5	27	2.0	1.9	2.5	3.0	3.0	3.2	3.5	3.1	4.0
Primary and fabricated metals	7	11	57	−9	37	9	12	54	.5	.6	.6	.9	.8	1.1	1.2	1.0	1.5
Machinery except electrical	22	31	18	−9	−1	10	−16	11	3.0	3.6	4.7	5.6	5.1	5.1	5.6	4.8	5.3
Electric and electronic equipment	23	25	24	−10	8	6	−5	11	.7	.9	1.1	1.4	1.2	1.3	1.4	1.5	1.4
Transportation equipment	16	54	49	18	−22	−14	12	−10	1.6	1.9	2.9	4.4	5.2	4.1	3.5	4.9	4.4
Other manufacturing	16	3	29	−12	13	6	4	1	1.8	2.1	2.2	2.8	2.5	2.8	3.0	3.0	3.0
Trade	9	37	26	13	−2	7	−3	16	2.1	2.2	3.1	3.8	4.3	4.2	4.5	3.7	4.3
Finance (except banking), insurance and real estate	−10	40	1	12	−17	2	32	(*)	.2	.2	.3	.3	.4	.3	.3	.4	.4
Other industries	−6	22	26	5	−7	3	7	(*)	1.9	1.8	2.1	2.7	2.9	2.7	2.8	2.9	2.9
By area																	
Developed countries	10	25	29	−2	4	2	1	11	18.0	19.8	24.8	31.9	31.3	32.6	33.1	32.4	35.8
Canada	1	20	29	−2	2	7	3	12	5.4	5.4	6.5	8.3	8.1	8.3	8.9	8.5	9.5
Europe	13	30	27	−4	4	−1	−1	14	11.2	12.6	16.4	20.8	20.1	20.8	20.6	19.9	22.7
European Communities (9)[3]	13	28	27	−9	4	(*)	−5	9	9.6	10.9	14.0	17.8	16.2	16.9	16.9	16.9	18.4
France	1	26	33	−18	(*)	9	−19	15	1.4	1.4	1.8	2.3	1.9	1.9	2.1	1.8	2.0
Germany	34	28	17	−15	1	8	−16	7	2.0	2.6	3.4	3.9	3.4	3.4	3.7	3.3	3.5
United Kingdom	20	27	33	−6	4	−5	2	5	3.9	4.7	6.0	8.0	7.5	7.7	7.3	8.1	8.5
Other	−7	31	28	−8	13	(*)	−1	16	2.4	2.2	2.9	3.7	3.4	3.8	3.8	3.7	4.6
Other	9	42	26	30	1	−8	22	16	1.5	1.7	2.4	3.0	3.9	4.0	3.6	3.7	4.3
Japan	32	15	42	−11	22	11	−7	29	.4	.6	.6	.9	.8	1.0	1.1	.8	1.1
Australia, New Zealand and South Africa	20	7	40	22	10	5	24	8	1.0	1.2	1.3	1.8	2.2	2.5	2.6	2.5	2.6
Developing countries	16	20	33	28	12	−1	28	19	4.6	5.5	6.6	9.0	11.1	12.5	12.4	11.6	13.8
Latin America	17	27	42	24	7	−6	27	19	2.2	2.5	3.2	4.6	5.7	6.1	5.7	5.8	6.9
Other Africa	14	12	44	25	18	(*)	34	13	.7	.8	.9	1.3	1.6	1.9	1.9	1.7	2.0
Middle East	−10	−27	−10	−24	25	−27	−35	56	1.2	1.1	.8	.7	.5	.7	.5	.5	.7
Other Asia and Pacific	56	52	47	33	16	12	46	10	.7	1.1	1.7	2.5	3.3	3.8	4.3	3.6	4.3
International	−38	51	22	−8	−3	−16	2	−33	1.3	.8	1.2	1.5	1.4	1.3	1.1	1.5	1.0
Addenda: European Communities (10)[4]					4	(*)		9					16.2	16.9	17.0	16.9	18.5
OPEC[5]	10	−2	13	6	30	6	47	1	1.7	1.9	1.9	2.1	2.2	2.9	3.1	3.1	3.1

*Less than 0.5 percent (±).

1. Based on the BEA survey taken in June 1982.

2. Based on the BEA survey taken in December 1981.

3. European Communities (9) consists of Belgium, Denmark, France, Germany, Ireland, Italy, Luxembourg, Netherlands, and the United States Kingdom.

4. European Communities (10) consists of European Communities (9) and Greece.

5. OPEC consists of Algeria, Ecuador, Gabon, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, Venezuela, and the United Arab Emirates.

NOTE.—Estimates are for nonbank foreign affiliates of nonbank U.S. parents.

Table 2.—Capital Expenditures by Majority-Owned Foreign Affiliates of U.S. Companies in 1981 [1]

[Millions of dollars]

	All industries	Mining	Petroleum	Manufacturing: Total	Food and kindred products	Chemicals and allied products	Primary and fabricated metals	Machinery, except electrical	Electric and electronic equipment	Transportation equipment	Other manufacturing	Trade	Finance (except banking), insurance, and real estate	Other industries
All countries	43,748	1,259	15,761	19,184	1,407	2,969	904	5,106	1,210	5,177	2,402	4,201	375	2,867
Developed countries	31,280	979	9,844	16,425	790	2,304	588	4,630	800	4,229	1,917	3,293	296	1,462
Canada	8,145	429	3,706	3,800	268	656	291	649	169	1,331	725	459	96	589
Europe	20,084	5	6,596	10,273	496	1,476	351	3,423	667	2,735	1,344	2,319	166	724
European Communities (10)	16,206	4	5,264	8,686	454	1,327	337	3,296	498	(D)	(D)	1,514	84	655
Belgium	696	(*)	74	357	5	110	7	36	35	115	43	148	(*)	17
Denmark	246	0	103	18	12	1	1	(*)	(D)	1	(D)	113	(*)	6
France	1,932	0	(D)	1,319	50	165	27	821	56	63	145	310	1	(D)
Germany	3,356	1	370	2,053	95	243	122	959	139	835	261	250	2	30
Greece	48	1	6	23	4	14	(*)	(*)	1	1	2	18	1	(*)
Ireland	312	1	(D)	229	15	49	2	(D)	64	(D)	(D)	27	0	(D)
Italy	1,114	0	147	797	46	105	19	(D)	39	55	(D)	189	(*)	81
Luxembourg	21	0	1	19	0	5	0	3	(D)	0	(D)	(*)	(*)	(*)
Netherlands	1,115	0	268	633	102	215	27	245	13	8	78	116	1	60
United Kingdom	7,477	1	4,100	2,091	223	419	182	795	158	(D)	(D)	890	70	325
Other Europe	3,876	1	1,331	1,587	42	148	14	128	78	(D)	(D)	805	82	70
Austria	488	0	22	360	3	2	8	3	(D)	(D)	(D)	90	(D)	(D)
Norway	1,326	1	1,287	35	0	2	(*)	(*)	(D)	4	(D)	69	(D)	(D)
Portugal	43	0	(D)	40	2	5	1	2	2	23	6	40	0	(D)
Spain	1,248	0	28	948	32	105	5	(D)	(D)	(D)	(D)	252	(*)	20
Sweden	255	0	28	143	2	25	2	(D)	(D)	2	(D)	80	(*)	4
Switzerland	370	0	(D)	67	3	6	1	(D)	10	(*)	(D)	196	(D)	35
Turkey	18	1	1	2	(*)	1	0	0	(*)	0	(*)	14	0	(*)
Other	99	0	20	2	0	(*)	(*)	0	(*)	0	2	76	(*)	(*)
Japan	896	4	34	648	(D)	79	(D)	(D)	48	(D)	12	96	9	2
Australia, New Zealand, and South Africa	2,345	545	515	685	(D)	104	(D)	(D)	28	(D)	96	429	15	56
Australia	1,782	520	440	512	90	77	(D)	(D)	18	(D)	55	250	15	45
New Zealand	88	(*)	21	27	(D)	4	0	1	2	(D)	10	35	(*)	6
South Africa	374	26	54	147	30	28	12	19	6	26	31	148	(*)	5
Developing countries	11,118	329	5,017	3,739	617	664	216	469	410	948	615	988	89	954
Latin America	5,630	273	1,158	3,114	411	642	191	423	186	929	433	716	67	352
South America	3,946	233	891	2,124	250	490	140	398	77	549	380	470	29	89
Argentina	635	5	130	434	57	30	(D)	142	4	(D)	(D)	57	(*)	9
Brazil	1,649	2	98	1,325	109	247	38	250	59	385	188	175	(D)	(D)
Chile	287	(D)	34	12	1	5	2	0	(*)	(*)	4	48	(D)	(D)
Colombia	346	3	236	61	10	32	8	(D)	1	5	(D)	40	1	6
Ecuador	62	0	25	21	3	5	1	0	2	0	9	17	0	(*)
Peru	455	(D)	345	9	2	2	3	(*)	1	(*)	2	(D)	(D)	(D)
Venezuela	377	0	66	197	42	88	7	(D)	9	(D)	28	93	1	20
Other	145	(D)	70	68	27	(*)	(D)	(D)	(*)	1	(D)	(D)	(*)	1
Central America	1,433	18	40	964	150	109	51	24	106	380	145	235	25	150
Mexico	1,198	3	19	913	128	100	50	24	109	379	135	212	3	55
Panama	74	0	3	6	2	3	0	0	(*)	0	1	7	22	37
Other	160	15	25	45	25	8	1	0	2	(*)	9	16	1	58
Other Western Hemisphere	300	21	127	26	11	3	1	0	3	0	7	10	13	103
Bahamas	48	1	8	2	1	1	0	0	0	0	0	(*)	2	35
Bermuda	(D)	0	(*)	(*)	0	0	0	0	0	0	(*)	(*)	1	(D)
Netherlands Antilles	20	(*)	(D)	(*)	(*)	(*)	(*)	0	0	0	6	2	(*)	(D)
Trinidad and Tobago	116	0	(D)	6	(*)	1	0	0	(*)	0	5	5	(D)	2
Other	(D)	20	7	17	10	1	1	0	3	0	2	8	(D)	(D)
Other Africa	1,613	34	1,469	55	21	6	(D)	(*)	(D)	(*)	8	24	4	21
Saharan	550	4	538	4	(*)	1	(*)	(*)	(*)	(*)	2	6	0	9
Egypt	332	4	318	1	0	1	0	0	0	(*)	0	3	0	8
Libya	161	0	159	(*)	0	0	0	(*)	0	0	0	1	0	0
Other	77	0	70	3	(*)	(*)	(*)	0	(*)	0	2	3	0	1
Sub-Saharan	1,063	29	945	51	21	6	(D)	0	(D)	(*)	6	18	4	12
Liberia	19	(D)	(*)	1	1	0	0	0	0	0	0	5	2	(D)
Nigeria	283	(*)	246	7	1	4	(*)	0	(*)	0	2	8	(*)	2
Other	770	(D)	700	43	19	2	(D)	0	(D)	(*)	4	5	1	(D)
Middle East	530	1	350	29	5	5	(D)	13	(D)	0	(*)	87	3	60
Israel	83	0	6	18	4	4	(D)	3	(D)	0	(*)	(D)	3	(D)
OPEC	409	1	333	11	1	(*)	(*)	10	0	0	0	50	(*)	24
Other	38	0	62	(*)	(*)	(*)	0	(*)	0	0	0	(D)	(*)	(D)
Other Asia and Pacific	3,296	19	2,026	543	86	111	12	34	213	19	74	171	16	421
Hong Kong	600	0	(D)	36	(*)	8	3	3	5	0	7	44	(D)	(D)
India	17	0	0	17	0	5	0	4	3	0	5	(*)	0	(*)
Indonesia	1,060	19	1,010	17	1	2	3	(*)	2	0	9	6	(*)	6
Malaysia	487	(*)	(D)	76	(*)	5	(*)	2	60	(D)	(D)	(D)	(*)	(D)
Philippines	298	0	71	140	71	21	(*)	(*)	24	3	23	(D)	(*)	(D)
Singapore	421	0	255	128	(*)	(D)	5	17	49	(D)	1	22	(D)	(D)
South Korea	116	0	(D)	25	5	2	0	6	10	0	2	(D)	0	(*)
Taiwan	150	0	(D)	87	1	13	0	2	61	3	9	25	0	(D)
Thailand	202	1	(D)	17	2	3	(*)	0	(D)	(*)	(D)	(D)	(*)	(*)
Other	38	0	15	10	1	(D)	(*)	0	(D)	0	(*)	2	(*)	6
International	1,351	.....	900	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	451
Memorandum—OPEC [2]	2,260	20	1,793	253	48	69	11	(D)	18	(D)	49	179	1	64

* Less than $500,000.
D Suppressed to avoid disclosure of data of individual companies.
1. Based on the BEA survey taken in June 1982.
2. See footnote 5, table 1.

NOTE.—Estimates are for nonbank foreign affiliates of nonbank U.S. parents.

Table 3.—Capital Expenditures by Majority-Owned Foreign Affiliates of U.S. Companies in 1982 [1]

[Millions of dollars]

	All industries	Mining	Petroleum	Manufacturing: Total	Food and kindred products	Chemicals and allied products	Primary and fabricated metals	Machinery, except electrical	Electric and electronic equipment	Transportation equipment	Other manufacturing	Trade	Finance (except banking), insurance and real estate	Other industries
All countries	46,378	967	20,136	19,079	1,409	3,293	1,088	5,074	1,303	4,085	2,815	4,220	310	2,676
Developed countries	32,603	768	11,826	15,026	996	2,495	648	4,594	845	3,273	2,180	3,181	253	1,549
Canada	8,311	265	4,400	3,384	270	665	360	753	178	836	712	420	80	762
Europe	20,833	8	7,556	10,133	608	1,732	355	3,196	587	2,350	1,323	2,272	140	722
European Communities (10)	16,933	4	5,969	8,592	563	1,444	340	3,049	493	(D)	(D)	1,676	86	666
Belgium	547	1	52	324	22	128	13	35	34	37	57	159	(*)	19
Denmark	288	0	162	22	14	2	1	(*)	3	2	1	98	(*)	6
France	1,858	0	(D)	1,288	75	190	28	708	48	99	161	352	(*)	(D)
Germany	3,381	1	650	2,458	92	212	118	912	133	973	312	214	1	58
Greece	48	(*)	15	27	4	14	(*)	(*)	1	1	8	14	1	(*)
Ireland	236	1	(D)	165	9	48	2	(D)	26	(D)	42	20	3	(D)
Italy	1,149	0	121	689	37	185	84	(D)	(D)	27	186	152	(*)	37
Luxembourg	25	0	3	21	0	5	0	2	(D)	6	(D)	(*)	(*)	(*)
Netherlands	1,589	0	595	743	91	390	90	221	16	2	84	130	1	130
United Kingdom	7,740	1	4,175	2,746	220	455	131	550	178	(D)	(D)	445	79	295
Other Europe	3,901	4	1,589	1,541	45	289	16	146	94	(D)	(D)	605	55	56
Austria	276	0	38	164	8	2	4	(D)	4	(D)	(D)	76	(*)	3
Norway	1,546	4	1,460	26	0	1	(*)	(*)	(D)	4	(D)	54	(D)	(D)
Portugal	102	0	12	50	4	6	(*)	2	(D)	26	(D)	88	0	2
Spain	1,225	0	40	1,008	86	213	9	(D)	29	(D)	(D)	160	(*)	16
Sweden	295	0	29	172	8	20	1	(D)	9	(D)	2	82	(*)	5
Switzerland	372	0	16	72	5	10	1	8	19	(*)	30	213	(D)	(D)
Turkey	11	(*)	1	2	(*)	1	0	0	(*)	6	(*)	8	0	(*)
Other	61	0	8	8	0	(*)	(*)	0	1	0	7	66	(*)	(*)
Japan	967	4	66	755	14	67	2	(D)	60	(D)	15	137	4	2
Australia, New Zealand, and South Africa	2,471	487	781	775	103	130	30	(D)	35	(D)	129	351	28	51
Australia	1,969	450	695	537	56	99	16	43	27	213	84	210	26	41
New Zealand	79	(*)	27	28	3	6	0	(D)	2	(D)	9	23	(*)	2
South Africa	424	37	59	210	45	24	15	27	6	57	36	119	(*)	8
Developing countries	12,470	198	6,230	4,063	604	746	451	476	458	778	639	1,040	57	892
Latin America	8,076	149	1,810	3,286	395	592	425	409	198	719	562	739	36	256
South America	4,429	124	1,524	2,443	268	461	369	390	61	542	323	457	13	66
Argentina	666	(D)	225	379	62	60	5	(D)	5	(D)	48	46	(*)	(D)
Brazil	1,931	(D)	107	1,594	116	277	319	282	63	385	224	150	16	(D)
Chile	166	89	12	14	2	4	4	0	(*)	(*)	3	(D)	(*)	(D)
Colombia	622	2	530	70	14	32	(D)	(*)	3	(D)	(D)	34	1	5
Ecuador	54	0	28	17	3	6	1	0	4	6	5	14	6	(*)
Peru	429	(D)	343	15	2	7	2	(*)	2	(*)	2	(D)	2	1
Venezuela	442	0	44	259	51	66	4	(D)	4	(D)	37	128	(*)	11
Other	106	1	48	55	17	(*)	(D)	(*)	(*)	1	(D)	5	(*)	(*)
Central America	1,265	8	38	823	119	125	56	19	114	177	213	272	14	114
Mexico	1,111	1	4	769	90	119	55	19	109	177	191	254	2	79
Panama	36	0	2	6	3	2	0	0	(*)	0	1	7	12	10
Other	118	7	25	49	18	4	1	0	5	(*)	20	11	(*)	25
Other Western Hemisphere	385	17	252	22	8	6	(*)	0	2	0	6	10	9	76
Bahamas	46	2	8	8	1	1	0	0	0	0	0	(*)	2	33
Bermuda	18	0	(D)	(*)	0	0	0	0	0	0	(*)	1	1	(D)
Netherlands Antilles	(D)	(*)	(D)	(*)	(*)	(*)	(*)	0	0	0	0	2	(*)	1
Trinidad and Tobago	(D)	0	(D)	6	(*)	1	0	0	(*)	0	4	3	1	(D)
Other	34	15	15	14	7	4	(*)	0	1	0	1	4	5	21
Other Africa	1,922	27	1,750	87	20	16	(D)	(*)	(D)	(D)	8	26	4	30
Saharan	654	(D)	597	29	(*)	1	(*)	(*)	(*)	(D)	(D)	9	0	(D)
Egypt	474	(D)	425	(D)	0	1	0	0	0	(D)	0	6	0	(D)
Libya	116	0	115	(*)	0	0	0	(*)	0	0	0	(*)	0	0
Other	64	0	57	(D)	(*)	(*)	(*)	0	(*)	0	(D)	3	0	(D)
Sub-Saharan	1,268	(D)	1,153	58	20	14	(D)	0	(D)	(*)	(D)	17	3	(D)
Liberia	15	2	(*)	1	1	0	0	0	0	0	0	2	3	10
Nigeria	347	1	318	13	1	(D)	(*)	0	(*)	0	(D)	9	(*)	5
Other	906	(D)	835	48	18	(D)	(D)	0	(D)	(*)	3	6	1	(D)
Middle East	664	1	384	32	4	3	(D)	15	(D)	(D)	1	76	2	170
Israel	90	0	(D)	18	4	3	(D)	3	(D)	(D)	(*)	37	1	(D)
OPEC	552	1	372	13	1	(*)	(*)	12	0	0	1	35	(*)	131
Other	21	0	(D)	(*)	(*)	(*)	0	(*)	0	0	0	4	(*)	(D)
Other Asia and Pacific	3,606	21	2,487	640	84	137	(D)	84	248	(D)	76	200	15	438
Hong Kong	495	0	(D)	24	1	4	3	1	5	0	11	40	2	(D)
India	31	0	0	31	0	(D)	0	5	(D)	0	5	(*)	0	(*)
Indonesia	1,442	20	1,390	29	1	4	5	(*)	4	0	15	3	(*)	5
Malaysia	634	(*)	(D)	96	1	6	(*)	3	60	(D)	(D)	(D)	(D)	(D)
Philippines	232	0	59	142	73	25	(*)	(*)	33	2	8	(D)	(D)	(D)
Singapore	389	0	167	179	(*)	(D)	(D)	35	54	19	(D)	24	(D)	(D)
South Korea	198	0	(D)	41	3	5	0	7	23	0	4	(D)	0	(*)
Taiwan	166	0	(D)	73	1	4	0	4	50	(D)	(D)	(D)	0	(*)
Thailand	201	1	171	16	3	6	(*)	0	4	(*)	4	13	(*)	1
Other	40	0	18	15	3	(D)	(*)	6	(D)	6	1	2	(*)	6
International	1,396	....	1,060	....	....	....	....	....	....	....	....	....	....	336
Memorandum—OPEC [2]	2,929	22	2,320	332	57	(D)	10	(D)	12	(D)	(D)	195	1	58

*Less than $500,000.

D Suppressed to avoid disclosure of data of individual companies.

1. Based on the BEA survey taken in June 1982.

2. See footnote 5, table 1.

NOTE.—Estimates are for nonbank foreign affiliates of nonbank U.S. parents.

Table 4.—Capital Expenditures by Majority-Owned Foreign Affiliates of U.S. Companies in 1983[1]

[Millions of dollars]

	All industries	Mining	Petroleum	Manufacturing: Total	Food and kindred products	Chemicals and allied products	Primary and fabricated metals	Machinery, except electrical	Electric and electronic equipment	Transportation equipment	Other manufacturing	Trade	Finance (except banking), insurance, and real estate	Other industries
All countries	40,570	871	13,598	18,499	1,821	3,323	1,196	5,595	1,381	3,505	2,581	4,827	317	2,758
Developed countries	33,105	674	11,241	15,914	1,354	2,605	685	5,106	967	2,965	2,492	3,476	256	1,442
Canada	8,905	175	3,342	3,939	335	859	275	817	295	665	694	466	82	900
Europe	20,568	8	7,024	10,269	581	1,716	369	3,556	640	1,971	1,375	2,489	147	692
European Communities (10)	16,980	4	5,186	9,375	531	1,542	347	3,410	543	1,678	1,304	1,706	81	628
Belgium	599	1	45	374	14	119	11	(D)	35	(D)	71	168	(*)	16
Denmark	260	0	125	24	15	2	1	(*)	3	(*)	2	105	(*)	6
France	2,099	8	(D)	1,413	55	220	25	741	57	125	190	400	(*)	(D)
Germany	3,655	1	585	2,778	70	222	103	1,109	163	820	288	240	4	57
Greece	48	(*)	18	22	4	11	(*)	(*)	1	1	5	14	1	(*)
Ireland	208	1	(D)	153	6	48	8	29	27	3	39	25	3	(D)
Italy	1,225	8	108	927	52	95	82	(D)	47	38	(D)	150	(*)	45
Luxembourg	35	0	8	21	0	8	0	(D)	1	(D)	(D)	(D)	(D)	(*)
Netherlands	1,529	0	540	787	62	365	34	235	15	8	56	185	2	56
United Kingdom	7,382	1	3,624	2,573	324	489	138	695	310	(D)	(D)	475	71	288
Other Europe	3,588	4	1,838	884	49	176	28	125	96	293	71	788	68	64
Austria	191	0	25	72	(D)	6	4	4	5	(D)	9	90	(D)	4
Norway	1,917	8	1,700	33	0	8	(*)	(*)	(D)	(*)	(D)	60	(D)	(D)
Portugal	79	0	15	30	3	4	(*)	8	8	9	8	31	0	8
Spain	741	0	58	471	31	126	12	(D)	87	(D)	(D)	190	(*)	26
Sweden	249	0	25	148	(D)	23	2	(D)	(D)	2	4	70	(*)	6
Switzerland	410	0	12	73	6	14	4	9	12	(*)	30	255	(D)	(D)
Turkey	14	(*)	2	3	(*)	3	0	0	(*)	8	(*)	7	0	(*)
Other	88	0	8	8	8	(*)	(*)	0	1	8	2	79	(*)	(*)
Japan	1,092	4	185	862	12	75	3	(D)	60	(D)	18	37	4	1
Australia, New Zealand, and South Africa	2,541	490	770	796	139	154	38	(D)	32	(D)	118	424	21	40
Australia	2,025	457	708	549	72	123	16	40	28	166	85	260	21	42
New Zealand	85	(*)	(D)	32	4	7	0	(D)	3	(D)	5	25	(*)	(D)
South Africa	431	33	(D)	211	63	24	22	17	7	61	28	139	(*)	(D)
Developing countries	12,390	196	6,485	3,485	465	718	511	486	415	530	469	1,451	61	890
Latin America	5,897	140	1,646	3,030	385	606	488	430	168	543	481	729	40	313
South America	4,223	107	1,267	2,306	239	454	439	414	79	390	292	457	19	64
Argentina	489	5	115	316	62	46	12	(D)	8	(D)	25	37	(*)	7
Brazil	1,570	(D)	95	1,374	79	299	370	338	60	248	297	158	(D)	38
Chile	155	57	22	16	3	7	2	0	(*)	(*)	8	(D)	(*)	(D)
Colombia	676	2	568	72	17	34	(D)	(*)	1	(D)	(D)	33	1	8
Ecuador	52	8	23	16	2	5	1	0	2	8	5	14	0	(*)
Peru	420	(D)	340	10	2	8	1	(*)	1	(*)	3	32	(D)	1
Venezuela	442	0	47	250	65	69	12	(D)	8	(D)	36	138	(*)	7
Other	128	(D)	65	54	9	(*)	(D)	(*)	(*)	1	(D)	(D)	(*)	(D)
Central America	1,093	8	35	704	123	148	48	16	87	153	136	263	12	71
Mexico	965	1	1	668	103	135	47	15	84	153	126	246	(*)	42
Panama	36	0	2	5	2	3	0	8	(*)	0	1	10	11	7
Other	92	7	25	30	18	6	1	8	3	(*)	5	7	(*)	22
Other Western Hemisphere	381	20	245	17	3	8	1	8	2	0	4	9	3	77
Bahamas	60	(D)	6	8	1	8	0	0	8	0	8	(*)	2	(D)
Bermuda	18	0	7	(*)	0	0	0	8	8	0	(*)	(*)	(D)	(D)
Netherlands Antilles	50	(*)	26	(*)	(*)	(*)	(*)	8	8	0	8	2	(*)	3
Trinidad and Tobago	139	0	130	4	(*)	2	0	0	(*)	0	2	3	1	2
Other	74	(D)	14	10	2	4	1	8	1	0	2	4	(D)	27
Other Africa	1,918	26	1,759	77	45	5	(D)	(*)	(D)	(D)	8	(D)	3	(D)
Saharan	803	(D)	758	22	(*)	2	1	(*)	(*)	(D)	(D)	(D)	8	(D)
Egypt	508	(D)	485	20	0	2	0	0	8	(D)	(D)	(D)	8	(D)
Libya	161	0	160	(*)	0	0	0	(*)	8	0	8	1	8	0
Other	134	0	128	2	(*)	(*)	1	0	(*)	0	1	3	8	1
Sub-Saharan	1,114	(D)	1,006	55	25	8	(D)	0	(*)	(*)	(D)	14	3	(D)
Liberia	18	1	(*)	1	1	0	0	0	5	0	8	2	2	12
Nigeria	311	1	288	8	1	4	(*)	0	(*)	0	2	10	(*)	5
Other	785	(D)	718	46	23	2	(D)	0	(D)	(*)	(D)	2	1	(D)
Middle East	404	1	283	31	4	3	(D)	17	(D)	0	(*)	62	1	66
Israel	92	0	3	17	3	3	(D)	3	(D)	0	(*)	41	1	32
OPEC	367	1	270	14	1	(*)	(*)	15	8	0	(*)	24	(*)	47
Other	26	0	10	1	(*)	1	(D)	(D)	(D)	0	8	7	(*)	7
Other Asia and Pacific	4,353	30	2,899	545	70	102	(D)	40	234	(D)	50	(D)	17	(D)
Hong Kong	488	8	(D)	43	1	26	3	1	5	8	12	52	(D)	(D)
India	27	8	0	27	8	6	0	6	(D)	8	(D)	(D)	0	(*)
Indonesia	1,690	29	1,630	16	1	4	4	(*)	2	0	5	10	(*)	5
Malaysia	629	(*)	(D)	(D)	(*)	7	(*)	4	65	(D)	7	28	(*)	2
Philippines	214	0	54	122	62	29	(*)	(*)	21	2	7	(D)	(*)	(D)
Singapore	213	8	37	88	(*)	13	(D)	(D)	88	16	1	15	(D)	(D)
South Korea	68	8	1	(D)	1	3	0	(D)	23	0	1	(D)	8	(*)
Taiwan	129	8	3	90	1	4	0	3	65	(D)	(D)	36	8	(*)
Thailand	386	1	(D)	(D)	5	4	(*)	0	(D)	(*)	3	(D)	(*)	1
Other	85	5	73	15	3	3	(*)	0	1	0	3	3	(*)	6
International	1,096	....	871	....	....	....	....	....	....	....	....	....	....	226
Memorandum—OPEC[2]	3,117	81	2,510	303	63	92	17	(D)	12	(D)	49	287	1	65

*Less than $500,000.

(D) Suppressed to avoid disclosure of data of individual companies.

1. Based on the BEA survey taken in June 1982.

2. See footnote 5, table 1.

NOTE.—Estimates are for nonbank foreign affiliates of nonbank U.S. parents.

development of offshore oil and gas fields.

In several other areas of Europe, where affiliates are engaged primarily in refining and distribution, reductions in spending are planned in 1983; the reductions follow several years of strong increases. Following a more than doubling of expenditures this year, expenditures by Netherlands affiliates are to decline 8 percent. The decline largely reflects completion of several projects in 1982, including development of a new gasfield and construction of a facility that converts coal into coke. Following a planned 76-percent increase this year, German affiliates plan to reduce spending 13 percent. This year's increase is primarily for upgrading and expanding several refineries; these projects are expected to be completed in 1982.

After 8 years of strong increases, Australian affiliates plan virtually no change in spending next year. The increase in 1982 is for the development of a new coal operation by a petroleum affiliate and significantly expanded exploratory drilling.

In developing countries, affiliates plan a 4-percent increase, to $6.5 billion, after a 24-percent increase this year. The increase next year is centered in "other Asia and Pacific"—particularly in Indonesia and Malaysia, where offshore oil and gas fields are being developed.

In "other Africa," spending is expected to remain at this year's level of $1.8 billion, as increases in some areas offset decreases in others. A 26-percent increase, to $0.8 billion, is expected next year in Saharan Africa, primarily in Libya and Tunisia. In Libya, the increase is mainly for exploration and development; expenditures declined in 1982, largely because several affiliates ended operations there in response to growing political tensions between Libya and the United States. In Sub-Saharan Africa, spending is to decline 13 percent, to $1.0 billion; the decline is centered in Cameroon, where development of a newly discovered oilfield will be completed this year.

Affiliates in "international" plan to cut spending 19 percent, to $0.9 billion, in 1983, following a 20-percent increase. The decline reflects reduced spending on tankers, which, in turn, reflects the slowing of petroleum shipments in response to sluggishness in worldwide business activity.

Manufacturing

Manufacturing affiliates plan to increase spending 2 percent, to $19.5 billion, following no change this year. Small or moderate increases are planned in all industries within manufacturing except transportation equipment, in which spending is to decline.

Much of next year's increase is accounted for by affiliates in nonlectrical machinery; their expenditures are expected to increase 10 percent, to $5.6 billion, following a slight decline this year. Nearly all of the increase is by affiliates manufacturing computers.

Affiliates in primary and fabricated metals plan a 9-percent spending increase, to $1.2 billion, following a 37-percent increase this year; an expansion project undertaken by a bauxite mining and aluminum manufacturing affiliate in Brazil largely accounts for increases in both years. Affiliates in electric and electronic equipment and "other manufacturing" each plan 6-percent increases, compared with increases of 8 and 13 percent, respectively, this year. Affiliates in chemicals plan a 3-percent increase, to $3.3 billion, following a 9-percent increase. In food products, affiliates plan a small increase, to $1.5 billion, following a 7-percent increase.

In contrast, spending by affiliates in transportation equipment is expected to decline 14 percent, to $3.5 billion, in 1983; a 22-percent decline in spending is planned this year. Both declines partly reflect completion of new facilities in the preceding year and deferral of nonessential spending due to the current weak worldwide demand for autos.

In developed countries, manufacturing affiliates plan a 5-percent increase, to $15.8 billion, following a 3-percent decline in 1982. Canadian affiliates plan to increase spending 17 percent, to $3.9 billion, compared with a 12-percent spending decline this year. Although increases are planned in every industry within manufacturing, the largest is in "other manufacturing"; it is mainly for plant expansion by a paper manufacturer.

In Europe, German affiliates plan a 13-percent increase in spending, to $2.8 billion, following a 7-percent decline this year. Most of the increase is in nonelectrical machinery, and is largely for increased capitalization of computers for rental. French affiliates plan a 10-percent increase, to $1.4 billion; a small decline in food products is more than offset by increases in every other industry within manufacturing. The 5-percent increase by British affiliates, to $2.9 billion, is centered in "other manufacturing"; it reflects increased leasing of copiers. In "other Europe," affiliates plan to cut spending 44 percent, to $0.8 billion, following a 5-percent decline this year. Over three-fourths of next year's cutback is in transportation equipment, primarily in Spain and Austria; it reflects the completion of new facilities in 1982.

In developing countries, affiliates plan to cut spending 9 percent, to $3.7 billion, following an 8-percent increase this year. The largest declines, which are in Mexico and Singapore, result from completion of expansion projects in 1982. In Mexico, the decline is largely accounted for by tire and photographic equipment manufacturers; in Singapore, it is largely accounted for by a petrochemical affiliate.

Other industries

Mining affiliates plan to cut spending 9 percent, to $0.9 billion, following a 26-percent decline this year. The cut is centered in Canada, where development of several large potash mines is expected to be completed by mid-1983.

Trade affiliates plan a 7-percent rise, to $4.5 billion, following a 2-percent cut. The rise is mainly in several European countries, Canada, and Australia, and is largely accounted for by affiliates that market computers.

Spending by affiliates in finance (except banking), insurance, and real estate is to remain at $0.3 billion next year; this reflects small offsetting increases and decreases among several geographic areas.

Affiliates in "other industries"—agriculture, construction, transportation, communication, public utilities, and other services—plan a 3-percent increase, to $2.8 billion, after a 7-percent spending decline this year. The largest increases are in Hong Kong, largely for construction of an electric power plant, and Canada, largely for modernization of a telecommunications system. Partly offsetting is a decline in Saudi Arabia, where a new affiliate performing city sanitation services plans to make sizable expenditures in 1982, but not in 1983.